

REMARKS

This amendment is being filed concurrently with a Request for Continued Examination.

I. Status of Claims

All claims contained in the foregoing listing are pending in the application and must be considered. Specifically claims 1-16 and 18-24. The examiner's statements in paragraphs 1 and 2 of the Detailed Action do not make sense to the undersigned representative and, in any event, appear to be contrary to PTO rules and policy. Because claims 18-24 were previously submitted and were entered as of right, their status is indicated as "previously presented."

II. Claim Objections

The Examiner persists in his belief that the words "I claim" or "We claim" or "Was claimed" is missing from the original listing of claims dated November 13, 2001. Applicants' copy of the original application plainly and unmistakably includes the words "What is claimed is:" on page 27 at line 3. This phrase precedes the claims. The examiner's continued insistence of correction is puzzling. Nevertheless, Applicants have, in order to satisfy the examiner, included in this amendment a direction to amend the specification to include the language that the examiner is seeking to have included. If this does not work, the examiner is respectfully requested to telephone the undersigned representative to explain what he is looking for.

Furthermore, if he is objecting to the failure to include such a phrase as part of the claim listing in previously filed amendments, he is encouraged to re-read the Manual for Patent Examining Procedure. However, even the PTO's proposed form for use in connection with amending applications pursuant to 37 C.F.R. §1.121 does not include any of those phrases. The examiner seems to be mistaken in his belief that one of those phrases is required in an amendment. The examiner is requested to particularly point out and explain where in the rule or in the MPEP such statements are required in any amendments that are filed.

Applicants respectfully traverse the objections of claims 1, 9, 11 and 12, stating the examiner's opinion that the preposition "of" be inserted after the word "comprising" in the preamble in each of the claims. The undersigned representative is, admittedly, not an expert or authority on matters of grammar and syntax in the English language. Nevertheless, the

construction suggested by the examiner seems awkward at best and contrary to the long-standing and very widely adopted practice of not including the preposition “of” after the word comprising. An informal review of a random sampling of patents reveals to the undersigned representative no instance of the proposition “of” following the word comprising in method claims with elements expressed using gerunds. The examiner appears to admit that it makes no change to the meaning of the claims. Therefore, in view of the omission of the word “of” in these circumstances, appears to be the common practice and the failure of the examiner to provide any sort of authority to support his position, applicant’s representative respectfully declines to make the requested changes.

It is submitted that the preceding amendments to the claims address the objections raised with respect to claim 6 and claim 11.

III. Rejection Under 35 U.S.C. §112, second paragraph

Applicants respectfully traverse the rejection of claims 1-16 under 35 U.S.C. §112, second paragraph. It is submitted that a person of ordinary skill in the art would be able to reasonably ascertain the scope of the claims. Furthermore, in every instance in which the examiner contends that there is no antecedent basis for a claim term, it is respectfully submitted that there is, in fact, an antecedent basis and that there is no ambiguity as to the antecedent basis. Nevertheless, applicants have made amendments that they believe will satisfy the examiner’s highly formalistic claim drafting preferences. It is submitted that none of the amendments narrow the scope of the claims. The amendments are not being made for any reason related to narrowing the scope of the claims to gain allowance of the claims over the prior art. They are not being made in response to a rejection under 35 U.S.C. §103.

IV. Rejection under 35 U.S.C. §103

The examiner appears to have copied and pasted the rejection of claims 1-16 under 35 U.S.C. §103 from the Office action dated July 21, 2008. In reply, applicants respectfully reiterate below the errors in the reasoning provided by the examiner that they set forth in the remarks accompanying the amendment filed November 21, 2008. Applicants then address the examiner’s reply to the arguments, which he makes on pp. 20-23 of the Detailed Action.

a. Errors in Reasoning

In responding to this rejection, Applicants will focus on independent claims 1, 14 and 16 with the understanding that if these independent claims are patentable, all dependent claims are patentable. Therefore, failure to specifically address errors in the reasoning associated with any of the dependent claims or in the interpretation given to the claims or prior art does not constitute a waiver or acquiescence in the examiner's reasoning or reading of the claim or prior art. Applicants respectfully reserve the opportunity to complain of these additional errors.

The rejection of the independent claims is premised on the combination of U.S. Patent No. 5,590,038 of Pitroda ("Pitroda") and U.S. Patent No. 6,267,292 of Walker, et al. ("Walker"). The examiner explains that "Pitroda teaches as disclosed above, but it may be argued that it does [n]ot explicitly teach about balance or debt transfer from one account to another by the same card holder." However, the examiner nevertheless goes on to conclude that it would have been obvious to modify the teachings of Pitroda in view of Walker. Walker, he asserts, explains that it is "well known in the art that credit card holders are free to transfer debt between accounts, thereby taking advantage of different account features, such as lower interest rates. Such transfers are typically done by paying off the old account with a convenience check or electronic funds transfer which draws the old account balance onto the new credit card account." In the examiner's view, it would have been obvious to modify Pitroda, without explaining exactly how, in order to make a "more efficient and effective system and method for making electronic transfer of balance or debt from one account to another by the same credit card holder...."

Applicants traverse the rejection on grounds that the examiner has not, in fact, provided a coherent explanation of the reasons for his conclusion of obviousness and, in any event, the combination of Pitroda and Walker, does not in fact meet all of the limitations in the claims. Thus, he has not met his burden of proving a *prima facie* case of obviousness.

Turning first to the examiner's burden, the Board recently explained in *Ex parte Wada et al.*, Appeal 2007-3733 (BPAI January 14, 2008), the burden has follows:

When determining whether a claim is obvious, an examiner must make “a searching comparison of the claimed invention – *including all its limitations* – with the teaching of the prior art.” *In re Ochiai*, 71 F.3d 1565, 1572 (Fed. Cir. 1995) (emphasis added). Thus, “obviousness requires a suggestion of all limitations in a claim.” *CFMT, Inc. v. Yieldup Intern. Corp.*, 349 F.3d 1333, 1342 (Fed. Cir. 2003) (citing *In re Royka*, 490 F.2d 981, 985 (CCPA 1974)).

Moreover, as the Supreme Court recently stated, “*there must be some articulated reasoning* with some rational underpinning to support the legal conclusion of obviousness.” *KSR Int’l v. Teleflex Inc.*, 127 S. Ct. 1727, 1741 (2007) (quoting *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006) (emphasis added)). ... It is well settled that the “Patent and Trademark Office (PTO) must consider all claim limitations when determining patentability of an invention over the prior art.” *In re Lowry*, 32 F.3d 1579, 1582 (Fed. Cir. 1994). Because the Examiner has not explained why every limitation in claim 1 would have been obvious to a person of ordinary skill in the art, we agree with Appellants that the Examiner has not made out a case of *prima facie* obviousness.

Next, as an initial point of error, applicants submit that the examiner has not made a “searching comparison of the claimed invention ... with the teachings of the prior art” and provided sufficient reasoning for why each claim limitation would have been obvious. The examiner essentially contends, by repeating each of the elements of claim 1, that the entirety of claim 1 is met by the teachings of Pitroda, including the receipt of, eligibility checking for and processing of a “balance transfer request.” He cites the same, very lengthy, multi-page passages as disclosing for most of limitations, but provides not one word of explanation. But then, he states there is no teaching in Pitroda of transferring balances. Applicants are left wondering how these passages are relevant to claim 1. In view of this contradiction, simply citing multiple columns of text without explanation does not inform applicants, and would presumably not inform the Board, of how each of the limitations are met.

Turning to the details, Pitroda seems to describe something completely unrelated to the present invention. It describes a universal electronic transaction card (“UET card”). The specification appears to describe the operation of the UET card itself. The user presents the UET card to a point-of-sale terminal for a sales transaction after choosing the type of credit card

to use for the transaction. See Abstract. “The card is capable of storing, transmitting and receiving personal and transactional information and thereby replaces plastic cards which are presently used for the same purpose.” Column 2, lines 44-48.

The examiner first contends that nearly a page of text, extending from line 22 of column 13 to line 65 of column 14, and then two pages of text extending from line 12 of column 15 to line 37 of column 17 disclose “receiving at a computer a request for transferring balances from the first credit account to the second credit account.” However, after careful review of the cited passages, Applicants can find no mention of receiving at a computer a request for transferring balances between two credit accounts. The passage beginning in column 13 and continuing through column 14, describes FIGS. 9-20. These figures show nothing more than the interface of the card itself during a setup, initialization, data entry selection and transaction processes. There appears to be no mention of transferring a balance between credit accounts, or of a computer receiving such a request. The very fact that the examiner fails to specify where in this very long passage there is a teaching that meets this limitation, suggests that in fact this limitation is not found in the passage nor is it suggested by the passage.

The other cited passage which begins near the top of column 15 and continues through nearly the bottom of column 17, describes an initialization and activation process for using the UET card with a particular credit card service or service institution. It then describes how a user uses a UET card for a transaction, by first turning it on, then entering a security code, then selecting a credit transaction, such as an American Express card. Once the selection has been made, the user provides the card to a sales person who then connects the UET to a communication interface unit (“CIU”). The American Express service then checks credit and sends an authorization number to the CIU as well as optionally update credit card information in the UET card for additional or dynamic security. The transaction is completed in a normal fashion after that. The remainder of the passage, particularly in column 17, describes the use of the UET card in a health service provider system.

The examiner thus relies on these two extensive passages for supporting a number of limitations, including:

- “receiving at a computer a request for transferring balances from the first credit account to the second credit account;”

- “obtaining account data associated with the first credit account, said account data comprising at least the financial institution with which the first credit account is held;”
- “determining using with a business logic server, using the account data, whether the financial institution with which the first credit card is held is related to the financial institution with which the second credit account is held;” and
- “processing the balance transfer of the request if it meets all of at least one eligibility requirement for transferring the balance, and otherwise not processing the received balance transfer request; the eligibility requirements comprising a requirement that identifying said first credit account as being not eligible for a balance transfer to said second credit account if it is determined that the first credit account is not held with a financial institution that is related to the financial institution with which the second credit account is held.”

There is nothing, in fact, in the cited passages that appear to even remotely suggest these limitations. Thus, not only has the examiner failed to provide sufficient reasoning to support the rejection, the reference does not in fact meet the limitations of the claims in any reasonable way that applicants can discern.

As yet another point of error, the examiner appears to be contending that it would have been obvious to modify the UET card for transferring account balances between credit accounts. However, there is absolutely no indication of how this would be done. Walker teaches only that credit card holders are free to transfer debt between accounts, at least according to the examiner, and that such transfers are usually done by paying off the account with a convenience check or electronic funds transfer. There is no explanation of how the modification would actually take place and how the UET card would actually function to do this. The generalized allegations of the examiner do not support a conclusion of obviousness.

More importantly, even if the teachings of Pitroda and Walker are combined, such that the UET card somehow magically performs the balance transfer, there is nothing in the combination that applicants can find, and nothing alleged by the examiner, involving any determination made as to whether or not the financial institutions holding the first and second

credit card account are unrelated. There is no mention in either Pitroda or Walker of eligibility requirements for transferring credit balances.

Therefore, the examiner has failed to establish a *prima facie* case of evidence as a result of the errors in the findings given by the examiner that underpin the legal conclusion of obviousness. It is respectfully requested that this rejection be withdrawn. Furthermore, it is submitted that the claims are patentable over the art of record for at least these reasons.

Please note that none of the amendments made to the claims are being made in response to this rejection. None of the amendments are intended to narrow the scope of the claims in any way.

b. Reply to Examiner's Reply to Applicants' Prior Remarks

In the final Office action, the examiner answers several of applicants' arguments, which answers applicants would like to address. Applicants respectfully request the examiner consider these remarks upon reconsideration of the application.

First, the examiner characterizes applicants' arguments as being against the references individually, and that one cannot show non-obviousness by attacking references individually where rejections are based on the combination of these references. It should be noted first that applicants do not have the burden of proving non-obviousness. The burden is on the examiner to establish a *prima facie* case of obviousness. As explained in *Ex parte Wada, et al., supra.*, obviousness requires a suggestion of all limitations in the claim, and that an examiner must make a "searching comparison of the claimed invention – including all of its limitations – with the teachings of the prior art." Applicants' arguments were pointing out that Pitroda did not meet all the limitations that the examiner contended it met and, therefore, the combination of Pitroda and Walker, et al. could not meet all the claim limitations in the manner alleged by the examiner.

Second, the examiner has informed applicants that the references cited in the rejection of the claims must be read in entirety as other passages and drawings may also apply. Although applicants agree that the references must be read in their entirety, this does not excuse the

examiner from articulating the reasoning with rational underpinnings to support his legal conclusion of obviousness. *See KSR Int'l. v. Teleflex, Inc.*, 127 S.Ct. 1727, 1741 (2007).

Third, the examiner contends that tests for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference. However, applicants have never argued Walker et al. needed to be bodily incorporated into Pitroda. The examiner must explain why the differences between the prior art and the claimed invention would have been obvious to one of ordinary skill in the art. *Id.* The examiner was contending that it would have been obvious to modify the UET card for transferring account balances between accounts and, therefore, the combination would be obvious. However, generalized allegations that a reference could be modified do not demonstrate why differences between the prior art, namely Pitroda, and the claimed invention are obvious. Applicants were making the point that the allegations of the examiner were so generalized that it is not at all clear how one would modify Pitroda when, in fact, the examiner is contending that such modifications would be obvious. The fact that the modifications are not clear, and that the examiner would be able to explain how those modifications could be made, suggests that the modifications would in fact be obvious. Again, it is submitted that the obligation to articulate reasoning with rational underpinnings to support the examiner's legal conclusion of obviousness has not been fulfilled.

The examiner also cites several paragraphs from Pitroda from which it uses the word "transferring." However, in each instance, Pitroda is only referencing the transfer of account information from a personal computer to a UET card. This appears to have nothing to do with transferring account balances. Therefore, it is not clear why the examiner is citing the paragraphs.

Finally, the examiner has completely failed to address the most glaring omission from his reasoning supporting the rejection of obviousness, namely that, there is no mention in either Pitroda or Walker et al. of eligibility requirements for transferring credit balances.

Therefore, applicants respectfully maintain their traversal of the rejection for the reasons noted above and request that it be withdrawn. Because none of the changes to the claims narrow or substantially alter the scope of the claims, any new ground of rejection under §103 cannot have been necessitated by the amendments.

V. Claims 18-24

Claims 18-24, which depend from claim 16, are allowable for at least the same reasons as claim 16.

Applicants respectfully submit that the present application is in condition for allowance. A notice to that effect is respectfully requested.

Applicants are paying the fee for filing a Request for Continued Examination via credit card at the time of electronic filing of this paper. The Commissioner is hereby authorized to charge any fees due or credit any overpayments made to Deposit Account No. 070153 of Gardere Wynne Sewell LLP, referencing 132538-1016.

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Respectfully submitted,

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